

FREIGHT COLLISION

USF Closes Red Star in Attack on Our Union

USF, a major Teamster freight employer, closed the doors for good at Red Star, a regional carrier, on May 24 in a bid to undercut Teamster organizing at USF Dugan — our most important organizing drive in the freight industry.

USF shut the doors on Red Star, its regional freight carrier operating 27 terminals in the Northeast, in retaliation for a surprise strike called by the IBT on May 21. As a result, 1,500 Teamster members are out of work.

The blame for this loss of good jobs lies squarely on USF management. They had the power to quickly settle the strike, and opted instead for unionbusting, sacrificing Red Star in the process.

Freight Teamsters at USF and elsewhere should be clear that corporate management is responsible for this injustice. But Teamsters are also questioning the tactics of our union leadership.

For complete coverage, see page 10.



Be a Stand-Up Teamster!

TDU has been fighting for smart, tough strategies to protect Teamster jobs for 27 years. And TDU has the guts to after corruption at all levels of our union.

Be a part of the stand-up movement for Teamster reform and rank and file power. Join TDU today.

JOIN TDU

TDU MEMBERSHIP APPLICATION

Name _____ Local _____

Address _____

City _____ State _____ Zip _____

Phone (_____) _____ Company _____

e-mail address _____

☐ City ☐ Road ☐ Dock ☐ Clerical ☐ Warehouse ☐ Construction ☐ Production

other _____

___ \$40 one-year membership & subscription to *Convoy Dispatch*.

___ \$95 three-year membership fee.

___ \$25 for spouses, and Teamsters who gross less than \$22,000 a year.

___ \$25 for retirees. Retired from Local _____

Check or money order

Mastercard/Visa # _____ Exp. date ____/____/____

Date _____ Signature _____

Return to: TDU, P.O. Box 10128, Detroit, Mich. 48210

TDU membership is kept confidential. TDU solicits and accepts membership applications and donations only from Teamsters, retired Teamsters and spouses who are not employers. Only funds from Teamster members and their spouses can be used for campaign purposes.



Former anti-corruption chief Ed Stier (left) with Teamster President James Hoffa.

Anti-Corruption Head Quits

- Why did Ed Stier and 20 anti-corruption staffers quit?
- Hoffa appointee says "Jim Hoffa is the problem" in the fight against corruption
- Hoffa shut down investigation to protect allies
- Stier says organized crime threatens our union

Get the facts. See pages 8-9.

Convoy Dispatch — Financed and Distributed by Teamsters Like You

Teamsters rely on *Convoy Dispatch* as their source for Teamsters news that goes beyond the press releases and "official" news from the International Union. TDU members and leaders work hard to provide honest and accurate information about our union and how we can make the IBT stronger and more accountable.

Who paid for this *Convoy Dispatch*? Teamsters like you. TDU members and donors pay for *Convoy* printing and shipping. If a fellow Teamster gave you this *Convoy*, chances are they paid for it, because *Convoy* distributors pay for monthly bundles so they can spread the word.

If you have ideas on what you'd like to see in *Convoy*, call, write or email us. If you would like to do your part to help finance this rank and file effort, join TDU today.

Rail Members Getting Rail Roaded?

BMW Members Debate Becoming Teamsters

As the Brotherhood of Maintenance of Way Employees (BMW) members consider merging their union into the Teamsters, heavy handed tactics by the Hoffa leadership have divided the rail workers and led to court injunctions against the Teamsters in both Canada and the U.S. The merger is now in doubt, as the debate continues through the summer.

The 35,000 member BMW consists of rail workers who lay and maintain tracks and rail bridges. The 30,000-member Brotherhood of Locomotive Engineers, who operate trains, merged into the Teamsters in January. So the BMW coming into the Teamsters can help bring some rail workers together in a positive step for unity.

BMW officials have been in merger talks with the Teamsters since last year. However, many of the 7,000 Canadian members in particular are against the merger, and have been courted by other unions, including the Steelworkers. The

Teamster merger is also being debated in the U.S., with the head of the Pennsylvania Federation leading the opposition.

Dictatorial Moves Threaten Merger

Two heavy handed moves have created divisions and led to the postponement of the International president election inside the BMW. First, Hoffa and Teamsters Canada and the U.S. leadership of the BMW simply transferred the Canadian members to the Teamsters, without a vote. This violated the BMW constitution and written promises from both unions that members would get a vote on the merger. In a letter dated Nov. 18, 2003, acting BMW president Freddie Simpson claimed he would "protect the Canadian members' right to vote on a negotiated merger agreement."

To make matters worse, Simpson, backed by Hoffa, announced that Canadians would not be allowed to vote

in the June election for union president, since they were transferred out of their own union. So they would be denied the right to vote on the merger, and on their union president! Canadians are expected to vote heavily against Simpson, who is the subject of a lawsuit by the U.S. Department of Labor for alleged crooked dealings in the previous election.

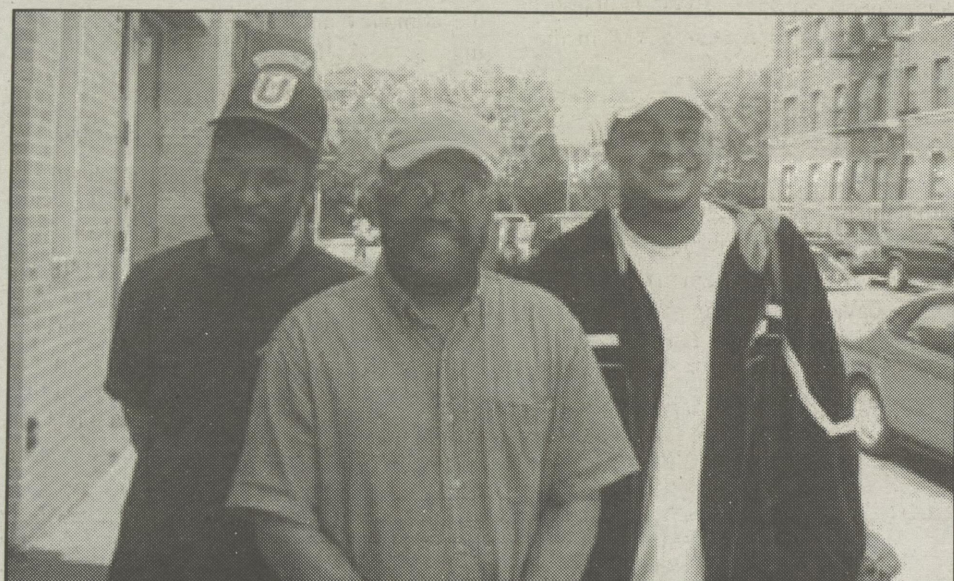
The justification of Simpson, Hoffa and Teamsters Canada for the transfer is that the majority of Canadian BMW signed Teamster cards. However, members were told to sign the cards to defend against raids by other unions and to "protect the Canadian members' right to vote on a negotiated merger agreement."

What Now?

When Canadian BMW members were removed from their union and denied the right to vote, officers in Canada went to court in Ottawa and obtained an injunction against the move. In a separate case, BMW members in the U.S. went to federal court regarding the denial of voting rights to 7,000 members, and on May 25 a court order was signed postponing the BMW election from June 8 to Sept. 8, and ordering that no transfer of Canadian members happen without the approval of the court.

It's hard to say what will happen next. The Canada Industrial Relations Board (CIRB) may end up certifying the Teamsters as the bargaining rep for employees of the two largest Canadian rail companies, the CN and CP. The BMW officer election is now wide open.

It would be positive step for the Teamsters to have the BMW members, but the clumsy moves by the Teamster leadership have soured some members, making the merger more difficult. It will be up to Teamster members to demonstrate unity with the rank and file in our union's new Rail Conference.



'We'll be at the TDU Convention!'

At Local 966, we're working hard to build a stronger union by opening up our union and getting members involved. We look forward to seeing you at this year's TDU Convention and sharing strategies about how to build union power from the bottom up."

Lawrence Martin, Local 966 Vice President

Carl Monsegue, Local 966 trustee

David Diggs, Local 966 Recording Secretary

How to Contact TDU

We want to hear from you. Contact us at the addresses below for more information about TDU, or to send us articles or letters.

National Office: P.O. Box 10128, Detroit, Mich., 48210. Phone: (313) 842-2600. Fax: (313) 842-0227. e-mail: tdudetroit@tdu.org Website: www.tdu.org

NY Office: 104 Montgomery St., Brooklyn, N.Y. 11225 Phone: (718) 287-3283. Fax: (718) 287-3287. e-mail: tdueast@tdu.org

E-Mail Your Letter

Either visit our web page at www.tdu.org and use the link provided there, or e-mail your letter to letters@tdu.org.



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Who We Are

CONVOY DISPATCH is the voice of Teamsters for a Democratic Union. We are the united rank and file movement to reform the Teamsters, created out of the merger of PROD and TDU.

We are truck drivers, dock workers, production workers—every kind of Teamster, and spouses, too.

We are a grassroots organization with chapters from coast to coast in the USA and Canada. We believe in returning this union to the membership and we are doing it. We are a democratic organization in which every member has a voice and vote. Our 15-member International Steering Committee was elected in October 2003 for one year. Our Rank & File Convention had 300 representatives present.

We are proud Teamsters standing up for our rights. TDU invites all Teamsters interested in defending our contracts and reforming our union to join us. We do reserve the right to exclude those who are opposed to TDU and its principles.

Rank & File Bill of Rights

I. DEMOCRATIC BY-LAWS. All business agents and stewards should be elected. Vacancies in office should be filled by special election within three months. Local union committees should be elected. Contract and strike votes should be by majority (not two-thirds). All contracts should provide for elected officers retaining company seniority.

II. DIRECT ELECTION OF OFFICERS. General President and all International officers should be elected by the membership. International VPs elected by regions. An end to trusteeships and split-off locals.

III. A FAIR GRIEVANCE PROCEDURE. Innocent until proven guilty, right to remain on the job until final procedure completed. Grievance procedure should include right to a speedy trial, arbitration by peers, and the right to strike if necessary.

IV. PRESERVATION OF WORKING CONDITIONS. The union's purpose is to expand and preserve what we have, not trade it away for anything less. People come first, not productivity.

V. SAFETY AND HEALTH. We have the right to enter the workplace without fear for our health and leave in the same condition we arrive. Teamsters should have the right, backed up by our union, to refuse unsafe work or hazardous conditions. We are not machinery.

VI. EIGHT-HOUR DAY AND FIVE-DAY WEEK. Forced overtime and unfair dispatch rules destroy our family life and cost us jobs. No mandatory overtime, "flexible" work weeks, or 70-hour slavery. We are for the advent of the four-day work week. We work to live, not live to work!

VII. A DECENT PENSION. Every dollar in the pension funds belongs to us. We are entitled to 25-and-out, cost of living on pensions, and union pension trustees elected by the rank and file and retirees to safeguard our money.

VIII. JUST SALARIES FOR OFFICERS. A union officer can't understand the problems of members who make less than half what he makes. No officer should make more than the highest paid working members in his jurisdiction. No multiple salaries from union, company, or government sources, or special fringes and pensions. Salary increases limited to the average increase for membership, and subject to membership approval.

IX. EQUALITY AMONG TEAMSTERS. Bring all wage levels up to the highest standards, not a lot for the few and little for the many. Fight the hardest for the lowest paid.

X. END TO DISCRIMINATION. Employers have used the differences in age, race and sex to divide us for decades. We oppose these injustices and divisions. Support affirmative action to correct past injustices. Employers should bear the cost of their past discrimination, not the members.

TDU International Steering Committee

Co-Chairs:

Joe Fahey, Watsonville, Calif., Local 912
Maria Martinez, Pasco, Wash., Local 556
Michael Ruscigno, New York Local 802
Michael Savvoir, Kansas City, Mo., Local 41

Organizer:

Ken Paff, Detroit

Trustees:

Willie Hardy, Memphis Local 667
Erik Jensen, Minneapolis Local 320
Matt Latzo, Baltimore Local 311

Members:

John DePietro, Syracuse, N.Y., Local 317
Jona Fleurimont, New York City Local 854
Frank Halstead, Los Angeles Local 572
Jim Jacob, Providence, R.I. Local 251
Roy Kruchten, Chicago Local 705
Sandy Pope, New York City Local 805
Dawn Stanger, Vermont Local 597

Alternates:

Larry Macdonald, Atlanta Local 728
K.W. Phillips, Memphis Local 667
Bill Sercombe, Jackson, Mich., Local 164

Outsourcing of Good Teamster Jobs Caused by Deal on New Operation

IBT Gives Gate Gourmet Sweetheart Deal

Teamsters who work at Gate Gourmet, a nationwide provider of food services to airlines and railroads, are being threatened with having their jobs outsourced after the IBT and another union signed a sweetheart deal with a spinoff company.

Gate Gourmet workers are jointly represented by the Teamsters and the Hotel and Restaurant Employees (HERE). An IBT-HERE Council is certified under the Railway Labor Act to represent 10,500 Gate Gourmet workers nationwide, while representation of individual worksites is divided among the two unions. The Teamsters represent 3,500 Gate Gourmet workers in cities including Atlanta, Los Angeles, Washington, D.C., Denver, St. Louis and Memphis.

A Sweetheart Deal

Behind members' backs, on Feb. 1 the two unions signed a contract with a Gate

Gourmet spinoff company called Gate Serve that will provide much lower wages and benefits. Steve Vairma, IBT Western Region Warehouse Director, signed for the Teamsters. The company voluntarily recognized the union. The union was certified by the National Mediation Board (NMB) five days after the contract was signed.

According to the NMB, the company only had 31 employees nationwide. But the contract lists 32 worksites. So when the contract was signed, Gate Serve had more locations than workers! But before the ink was dry, Gate Serve was placing help wanted ads in newspapers around the country.

No wonder the company voluntarily recognized the union. Under the contract, Gate Serve employees have wages as low as \$7/hour, no paid holidays, no sick days, no pension, no 401k and a

six-month probationary period. If workers have one day no call/no show, they lose all seniority!

Outsourcing in L.A.

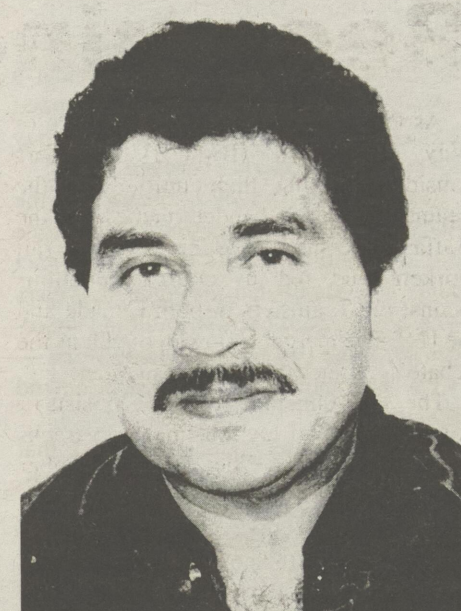
Gate Gourmet workers in Teamster Local 572 were shocked to learn about this deal when management announced plans to outsource Los Angeles Airport (LAX) work to Gate Serve. They circulated petitions calling for the IBT to come clean about its deal with Gate Serve and fight Gate Gourmet's outsourcing.

The IBT and HERE have grieved the outsourcing of LAX work, stating that Gate Serve had promised they would not compete directly with Gate Gourmet. Instead of getting empty promises from management, the union should not have agreed to the deal at all. Article 1 of the Gate Gourmet contract prohibits the company, its affiliates or its parent from starting a new operation and operating it as a separate entity outside the contract.

More action is needed from the IBT and HERE, and fast. Gate Gourmet plans to outsource as much work as possible. A management memo outlines a plan to outsource 50 jobs to Gate Serve in the Tampa/Orlando area alone.

Fueling Bargaining Concession Demands?

This attack comes at the same time that members are in tough contract negotiations with Gate Gourmet. Company proposals include a demand for a 10 percent pay cut, takeaway of a bonus and the loss of time off. The contract expires May 30, but bargaining sessions are scheduled into late June. The IBT's willingness to accommodate Gate Gourmet with the Gate Serve deal has not made



"Now is not the time to sit on our hands and wait and see what happens. We need to organize ourselves and fight this."

Luis Ramos
Local 572, Gate Gourmet
Los Angeles

the company any less ruthless in bargaining.

Members Fighting Back

"This deal threatens all of our jobs, no matter what airport we work at or what union we are in," says Luis Ramos, a Local 572 Teamster at Gate Gourmet in Los Angeles. "Now is not the time to sit on our hands and wait and see what happens. We need to organize ourselves and fight this."

Gate Gourmet workers who want to get involved, or want more information on the Gate Serve deal, should contact TDU at 313-842-2600.

New Ploy To Get Two-tier Wages and Benefits

So Cal Sysco Teamsters Show How to Stop Attack

Sysco Foods is using "fold out" distribution centers to try to lower Teamster wages, benefits and working conditions. This development again shows that an aggressive and coordinated national response is needed from the IBT. Fortunately, in this case it also shows that rank and file action can get huge results.

Fold Out Centers

Fold out centers are new facilities built in areas already served from another distribution center, but at a distance. They are opened when the original center is reaching capacity. Thirteen fold out centers have been opened nationwide since 1995. A new fold out center is set to open this June in Ventura County, Calif., and another is being built in Post Falls, Idaho.

The experience of Ventura shows the danger here. Apparently management's strategy is to offer to voluntarily recognize the Teamsters Union, but ask for concessions in return. Management helps the union sell this to members by establishing a two-tier wage system in which current Sysco employees remain at industry standard, but new employees come in much lower.

If they can get away with it management has a big incentive to use the lower-paid workers at the fold out facility to service areas that were previously handled by higher paid workers at the original center. Also, since the contracts don't have common expiration dates, the union will now have less power if it strikes because the area they handle can be served by another nearby center.

Rand and File Teamsters Respond

When faced with management's demands for concessions at the new Ventura County facility, members mobilized to

protect their working conditions.

When Sysco approached Local 186 about opening in Ventura, they proposed a steep two-tier wage system. They would pay current employees who transferred in \$21 an hour, but give new hires a starting wage of \$14 an hour. They also proposed lower pension and health and welfare contributions for new hires, and an "Activity Based Compensation" system, meaning piece-rate pay.

The union was willing to go along at first, but changed its tune once Sysco workers at the Walnut, Calif., facility, near Los Angeles, learned of the deal. Many of them would be transferring to Ventura, and moving from Local 848 to Local 186. Members began to network among themselves, and wrote the IBT to complain that the Ventura center would lower area standards.

They called a meeting to organize a campaign. Local 848 Secretary Treasurer Jim Santangelo showed up, giving members a chance to press him on the fact that as head of the Joint Council he would be approving a contract that undercut area standards.

This got Local 186 to agree to let three stewards from the Walnut facility onto the bargaining committee. The rank-and-file members held firm against management demands, and Sysco eventually agreed to match virtually all the standards of the original Walnut facility.

The brothers and sisters in Southern California have fought back Sysco's attack. It's time that our IBT Warehouse Division learned from their example. We need a coordinated strategy by the International to prevent companies from undermining industry standards and from trying to pit one local against the other.

2004 TDU Convention



"I've heard great things about the TDU Convention from Teamsters who have been going for years. What they learned was crucial in helping us win our election in Local 200.

"I'll be in Cleveland this year because I want to learn and share with other Teamsters who are committed to reforming our union."

Carol Simon
Local 200 Business Rep
Wisconsin

October 22-24 Cleveland Sheraton Airport

Contact TDU at 313-842-2600 for more information,
or visit www.tdu.org.

Boston Local 25 President Admits:

UPS Side Deal on Shaky Legal Ground

In a bombshell, Boston Local 25 President Ritchie Reardon has admitted that a controversial side deal that has landed UPS, Local 25 and the IBT in court may not have been properly approved.

Reardon told *Convoy Dispatch* that the Joint National Negotiating Committee never officially approved the mid-contract change that eliminated the right of drivers at the Chelmsford, Mass., building to receive premium pay for all Sunday work — a right guaranteed by the New England supplement.

The UPS master agreement states that any changes to the contract must be approved by the Joint National Negotiating Committee or they are “null and void” (Article 2, Section 2).

Members Organize Against Deal

Local 25 members are suing UPS, Local 25 and the IBT in federal court to overturn the mid-contract giveback. Drivers are taking up collections at UPS facilities throughout New England and have already raised \$10,000 to fund the lawsuit.

“Article 2, Section 2 is a valid argument,” Reardon told *Convoy Dispatch*. “It may be the straw that breaks the camel’s back.” Reardon said the IBT never told him not to make the deal, but that General President Hoffa didn’t want to sign off on

the change.

Reardon contacted *Convoy Dispatch* to give his side of the story in response to our coverage of members’ lawsuit and the formation of the New England Teamster Supplement Protection Committee.

Reardon said he negotiated the agreement to save Local 25 jobs and payments into its benefit plans. UPS management threatened to eliminate the Chelmsford day sort and transfer the work to the CACH facility in Chicago unless Local 25 agreed to allow the company to have a Sunday to Thursday shift with no premium pay on Sunday.

Right to Vote

To legally modify the New England supplement, Reardon needed both IBT approval and the approval of all the members covered by the supplement. He had neither.

Reardon told *Convoy Dispatch* he only allowed a limited number of members to vote on the proposed change in order to “limit the impact” of the modification, so that it would only affect workers at the Chelmsford facility.

But in the wake of the Local 25 deal, UPS spread the concession to at least four additional locals. None of those locals put the changes to a supplement-

wide vote. In fact, locals 191 and 340 altered the contract without holding any membership vote at all.

By modifying the supplement on their own, officials from locals 25, 42, 191, 340 and 677 have opened themselves up to internal union charges and litigation under the Landrum-Griffin Act for violating members’ voting rights.

Members say it is not too late for local officers in New England and for General President Hoffa to repair the damage that has been done and avoid litigation and internal union charges.

They are calling on Hoffa to use his

authority under Article 2, Section 2 to declare the side agreements null and void.

Informational Meeting

In the meantime, members’ campaign to defend their contract and right to vote continues. The New England Pension Protection Committee will hold an informational meeting on Saturday, June 12 at 10 a.m. at the VFW in Lowell, Mass.

For more information, New England UPS members can contact the TDU East Coast Office at 718-287-3283.

UPS & Downs

UPS Headed for \$3 Billion in Profits in 2004

At its current pace UPS will easily exceed \$3 billion in profits during 2004. Results for the first quarter of 2004 show a dramatic 24.2 percent rise in after-tax profit to a level of \$759 million. Revenue also rose significantly, with an 11 percent increase, nearly reaching the \$9 billion mark.

At the same time the company has announced that it is increasing to \$1 billion the amount it has set aside to buy back stock that will be used to reward managers. It looks like they will need it. The quarterly report lists a rise of 21 percent in “stock-based expense.” These are the generous incentive awards given to management.

Driver Fired After Reporting Off-Duty DUI Reinstated

An arbitrator has ordered a Missouri UPS driver reinstated who was fired after voluntarily reporting an off-duty DUI. UPS claimed that a drug rehabilitation agreement he had signed years before required “perpetual, total abstinence from alcohol.” The arbitrator disagreed, ruling that nothing in the UPS contract language on drug and alcohol rehabilitation treatment requires total abstinence from off-duty drinking for the duration of an employee’s career. The arbitrator said this would be an “extreme intrusion into employees’ private lives.”

Big Bonuses for UPS Top Brass

After reading the proxy statement UPS sent out for its 2004 shareholder meeting, a Local 135 feeder driver wrote us:

“What did Mike Eskew do to earn his increase in salary to \$863,000, a \$351,400 bonus, huge stock options, and pocket change of \$16,529. Was it the new UPS logo? What did the other executive officers and directors do to deserve a bonus?”

“A poll of older drivers said the bonus money and stock options should have been used to build new center buildings in Kokomo and Clarksville, Ind. Many feeder drivers said new road tractors are needed instead of this bonus. Delivery drivers said laid-off drivers should have been working at peak season, when others were working 12-hour days!”

A glance at the proxy statement’s section on executive officer retirement plans shows that if Eskew were to retire today, he would get a yearly benefit of \$539,554. No reemployment restrictions either!

Carhaul Shorts

Allied Gives Away More Carhaul Jobs

Allied is in the process of giving away the yard jobs at a number of GM plants, reportedly over 100 Teamster jobs at nine plants. Flint, Detroit, and Pontiac, Mich.; Ft. Wayne, Ind.; Janesville, Wisc.; Moraine, Ohio; and Doraville, Ga., are going to lose Teamster yard jobs as the work goes to Vascor from Allied’s TSI subsidiary. Allied is apparently not even bidding on the work.

Vascor is a growing logistics player in the auto industry and already operates some off-site yard operations in carhaul. It needs to be organized, or more and more union jobs will be chipped away.

Carhaul Companies, Union Both Need to Change

Billy Scott, now driving for Allied and a long-time union rep for Detroit Local 299, made the following observations in a letter to carhaul friends:

The union carhaul carriers can’t see the forest for the trees. They are unwilling to take on the nonunion sector. More importantly, they are unwilling to take on the manufacturers. They continually want to beat up on the union for letting this happen to them, while they continue to give these nonunion operations footholds into their business.

Allied is the prime example: Allied is content to let the nonunion entities chip off, piece by piece, segments of their operations. They would rather a nonunion carrier get their work than one of their union competitors.

The Teamsters Union leadership has written this 10,000-member division off. They give it a lot of lip service, but provide little or no resources to actually go after these non-Teamster companies. They say that the local unions should do it. I know of no local union with the resources to take on a full blown organizing drive, not even for a small company, let alone an operation like Fleet Car, United Road Service, Swift, BMW or Waggoner.

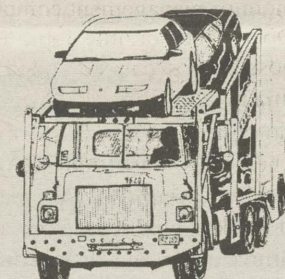
This attitude on the part of the union leadership has to change, and rank and file carhaulers have to make it happen, and participate in that organizing.

Active Takes 300 Teamster Jobs: Local 654 Sues

Over 300 Teamster carhaulers in Springfield, Ohio, lost their jobs May 1 when their work hauling Navistar trucks was transferred from Active Transportation to Auto Truck Transport. Both Active and ATT are owned by JHT Holdings. ATT, whose workers are represented by the International Association of Machinists (IAM), pays \$620 per month in pension and health and welfare benefits. Active pays \$1,760.

The job losses are particularly hard to swallow because in May 2003 the Teamsters agreed to a two-year wage freeze in carhaul to offset rising health care costs.

JHT’s CEO, Dennis Troha, has also used the same scam in other parts of the country to whipsaw Teamster carhaulers into accepting lower benefits or losing work. JHT’s subsidiaries haul more than 70 percent of the truck tractors made in the U.S. and Canada. Local 654 has sued in federal court to stop the Springfield work transfer, arguing that it was done solely to avoid paying pension and health and welfare benefits. The International Union has not mounted a campaign to save Teamster driveaway jobs.



Third Year of Contract Signals Start

Making UPS Create 10,000 Full-time Jobs

Beginning on Aug. 1, 2004 UPS must start creating 10,000 additional full-time jobs. For each year of the contract starting with the third year, UPS has to create at least 2,500 new full-time positions. At the same time, the contract states that the 10,000 full-time positions created under the 1997-2002 contract cannot be reduced.

National Campaign Needed

Past experience has shown that it will take ongoing pressure to get UPS to live up to its commitment to create full-time jobs. A national campaign, promoted by the International Union, should be put in place as soon as possible to enforce the creation of jobs. Here are some steps that such a campaign could undertake. These are also measures that members, stewards and local unions can carry out whether or not the International Union mounts a campaign.

- Grieve any Article 22.3 jobs created under the last contract that have gone vacant and not been filled. We want to go into the creation of the new jobs with the full complement of 10,000 jobs created under the last contract.
- Locals might appoint a member as full-time job coordinator for each UPS building, to help gather information and monitor management compliance.
- Document possible jobs. Full-time job possibilities can be found where part-timers are already working eight or more hours. They can also be found where two part-time shifts overlap or nearly overlap and add up to eight hours of work.
- Grieve the issue once you have documented where full-time jobs could be created.

How to Get Information

- Stewards and business agents have the right to get copies of UPS Weekly Operations Reports. These reports contain information on hours worked and shift schedules that can be used to reveal full-time job opportunities. Demand that your local request copies of these reports.
- Gather information directly from members and stewards by "mapping" shifts and schedules. TDU has available a report form, a palm card and a chart that can be used for these purposes.
- Article 22.3 states that UPS must provide quarterly reports to the Teamster Parcel and Small Package Division. These reports must explain where full-time jobs have been created and explain what jobs have been combined to create the positions. Members and stewards should ask that their local request copies of these reports in order to monitor how and where UPS is creating the jobs.

Other Ways to Create Good Jobs at UPS

The UPS contract contains a number of provisions, in addition to Article 22.3, which can be used to preserve and increase the number of permanent jobs. Locals that use these contract articles in an organized and ongoing way can create more job opportunities, improve working conditions and bolster benefit funds by increasing contributions into them.

Articles that can be used include:

- Subcontracting (Art. 2 and Art. 32)
- Supervisors working (Art. 3, Sect. 7)
- Overtime (Art. 37)
- Extra contract agreements (Art. 6)
- Air drivers (Art. 40, limits on handling of ground packages)
- Over 70s handling procedures (Art. 39).

No Subcontracting

Subcontracting continues to be a plague in certain areas of the country. UPS either tries to hide this diversion of work (using UPS Logistics to zone skip) or uses a range of excuses (such as: we can't get enough feeder drivers, feeder drivers don't come to work, etc.).

And then there is the wholesale diversion of work to the U.S. Postal Service. The UPS Basic program was deadlocked at the national grievance panel in April and will go to arbitration.

Article 32, which prohibits the subcontracting of work to non-bargaining unit employees, provides extensive protection:

"For the purpose of preserving work and job opportunities for the employees covered by this agreement, the employer agrees that no work or services of the kind, nature, type, and including new operations or buildings, covered by, presently performed, or hereafter assigned to the collective bargaining unit will be subcontracted, transferred, leased, assigned or conveyed in whole or in part to any other plan, person or non-unit employees unless otherwise provided in this agreement."

Article 2, Section 4 of the master contract also prohibits subcontracting of work to nonunion divisions of UPS.

Supervisors Working

Another tool that can be used to preserve and increase work opportunities is Article 3 of the master contract. This section prohibits supervision from doing bargaining unit work.

This article provides for penalties when management is caught doing union work. If a supervisor works more than two hours the penalty is four hours straight-time pay or actual hours worked at one and one-half the rate of pay. If a supervisor works two hours or less, the

aggrieved employee gets paid actual hours worked at the rate of one and one-half the rate of pay.

New language was added in 2002 to deal with the common UPS management excuse that regular workers are not available. Now this article provides for a work coverage system under which employees can sign up for coverage work at the beginning of the month. The work is then supposed to be assigned by UPS to the people who have signed up.

Overtime

A pre-2002 contract survey revealed that overtime was one of the top concerns of UPS Teamsters. Excessive overtime reduces pressure on management to hire sufficient workers. Its effect on Teamsters includes increased fatigue and injuries, impaired family life and heightened stress.

Language in Article 37 can be used to achieve some relief (and create more job opportunities overall). Stronger language is still needed, however, and will have to be fought for in the next contract.

Article 37 now states that:

- Management will let a minimum of ten percent of package car drivers in a center off on a given day.
- Drivers can request to be relieved from overtime 24 hours in advance.
- Driver requests will be processed in seniority order.

Working Off the Clock

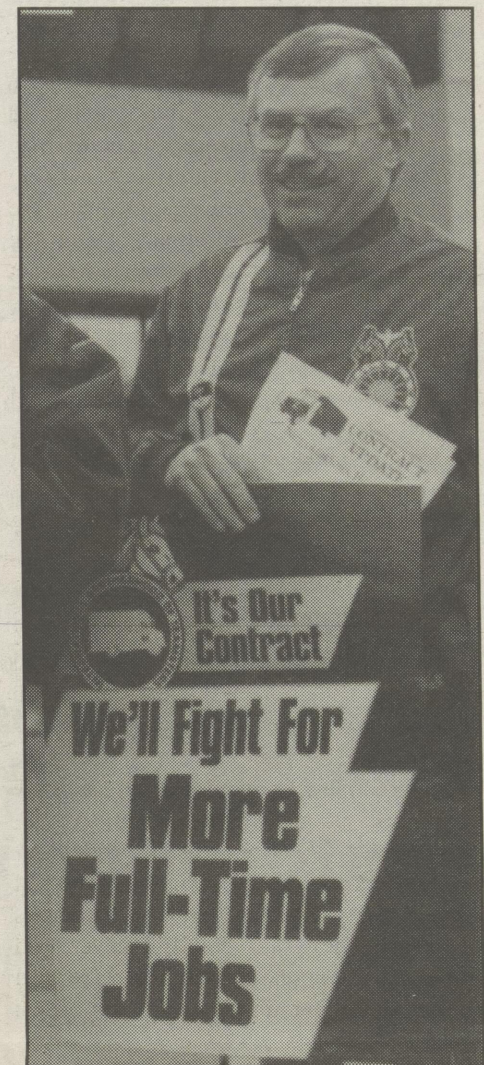
Every hour worked off the clock before start time or during lunch or breaks is a gift to UPS. Add up those hours and they equal good full-time jobs. With production pressure it can be difficult to eliminate working off the clock. The new Smart Label systems do eliminate some of the pressure on drivers to do this, but also create other pressures that can encourage it.

Extra Contract Agreements

Sections in contract supplements on work hours, lunch and break times relate to this problem. Another section of the master contract, Article 6 on "extra contract agreements," prohibits management from entering into agreements with employees that are contrary to the conditions set out in the contract.

Air Drivers

There are even some seemingly unrelated sections of the contract that, if enforced, can help create and preserve jobs. Article 40, on the air operation, is an example. Section 1 of Article 40 states that air drivers are only to handle



regular ground packages in very limited circumstances. Violation of this provision shall "obligate the employer to pay the air driver involved the difference between his/her rate of pay and the top regular package car driver wage rate existing at that building."

Locals that suspect violations of this article should do periodic audits and possibly information requests to management to determine the scope of the problem.

Union Leave

Another example of a seemingly unrelated part of the contract is Article 16. Section 1 gives the union the right to take members off their regular jobs in order to participate in union activity.

Locals that make use of this section can greatly add to their grievance and problem-solving resources. Stewards and active members can assist business agents with a range of tasks, without loss of seniority or benefits. Rampant problems that effect job creation, like the problem of supervisors working, can be fought more effectively using the added resources made possible by this article.

Over-70 Packages

Handle over-70 pound packages according to Article 39. Part-time and combo hub employees can insist on two-person handling of all over-70s. Package car drivers can follow the protocol in Article 39.

Hoffa Says Policies Make Pension Improvements 'Impossible'

Union Pension Trustees Side with Employers

In a recent fight with UPS over proposed pension legislation, General President James Hoffa called on Teamsters to fight employer proposals that would make it "almost impossible" for Teamster pension funds to raise benefits.

But union trustees at two major Teamster funds have sided with employers on this critical policy issue. In both the West and New England, union trustees have voted to cut members' pension benefits in pursuit of funding targets the IBT says are excessive and against members' interests.

In a recent letter to every Teamster local, General President Hoffa called on Teamsters to fight federal pension legislation being pushed by UPS that would bar pension plans from improving benefits unless they are 90 percent funded.

Hoffa wrote that requiring 90 percent funding would "make it almost impossible under any circumstances to increase bene-

fits." Hoffa proposed a 75 percent funding requirement.

UPS's proposed pension legislation was ultimately withdrawn. But the legislative skirmish revealed that the union trustees in the West and New England are badly out of step with the IBT's stated pension policy.

In New England, union trustees announced they will not consider any pension improvements until the plan is 90 percent funded—the same figure proposed by UPS management!

In the West, union trustees have adopted a funding standard of 100 percent—a policy so extreme that it's more restrictive than the legislation proposed by UPS management.

Union trustees at both funds are voting to cut members' pension benefits to pursue these restrictive funding requirements.

Last summer, union trustees in the West went along with an employer proposal to slash members' pension multiplier in half—costing members thousands of dollars annually unless the cuts are reversed and the benefits restored.

In New England, union trustees also went along with employer proposals to eliminate 25-and-out retirement at any age for all future retirees except those who meet grandfathering requirements.

Teamster vice presidents who voted for the cuts as trustees on the Western fund are Al Hobart, Chuck Mack, Jim Santangelo, and Ralph Taurone; another trustee, Rome Aloise, is on the Interna-

A legislative skirmish reveals the union trustees in the West and New England are badly out of step with IBT pension policy.

tional payroll. Two of the four union trustees for the New England Fund are also on the International's payroll: Dave Laughton and Stu Mundy.

Why are these officials of the International Union voting for employer pension policies officially opposed by our union?

More importantly, why are *any* of our union trustees siding with the employers at the cost of cutting members' pensions?

Western Pension Fund Assets Up

Members Demand Restoration of Benefits

The Western Pension Improvement Committee is launching a new petition drive to reverse the pension cuts and restore members' lost benefits in the wake of a stock market recovery that boosted the Western pension fund's assets by \$2 billion last year—a 20 percent jump.

Members formed WESTPIC last year when the Western pension fund trustees announced they would slash the benefit accrual rate to its lowest level ever.

WESTPIC said then that the cuts were unnecessary and that the fund should ride out the cyclical stock market losses rather than let employers use them as an excuse to slash members' pensions.

Economic news shows WESTPIC was right. The Dow Jones climbed 25 percent last year. The stock market's growth sent the fund's assets up to \$25 billion.

The news has added new momentum to

the campaign to end the Western pension cuts. Teamsters have launched a petition demanding that our trustees reverse the cuts and restore any pension benefits members lost.

"Our fund is already recovering financially thanks to stock market growth. But our pension benefits will never recover unless we reverse these cuts now and restore our lost benefits," said Frank Halstead, a Local 572 Teamster employed at Ralphs Grocery in Los Angeles. "Through this petition, we're letting our pension trustees know we want the cuts reversed and our lost benefits restored."

Copies of the petition can be obtained from WESTPIC at PMB #313, 10611 Canyon Rd. East, Puyallup, WA 98373-4256. The petition and other WESTPIC materials are also available online at www.nopensioncuts.org.

Western Pension Cuts Hurt Teamster Campaign at Frito-Lay

Our International Union has launched a campaign to demand that Frito-Lay increase the pension multiplier from 1.2 percent to 2.1 percent at its management-controlled fund.

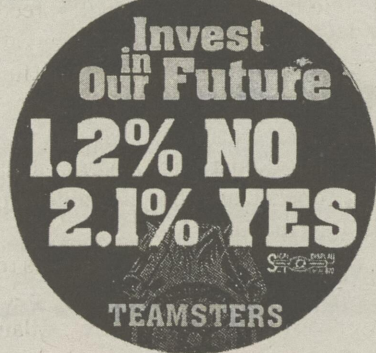
Ironically, union trustees on the Western Conference pension fund—including four International Vice Presidents—voted to cut members' pension multiplier down to the same 1.2 percent they now say is inadequate at Frito-Lay.

The stickers produced by the IBT to fight Frito-Lay could easily be used by Teamsters in the West to protest the actions of their own union trustees.

The Western pension cuts are gutting members' retirement benefits and under-

mining a good union campaign to win a fair pension for thousands of Teamster members at Frito.

It's time for our union trustees to reverse the cuts and restore members' lost benefits.

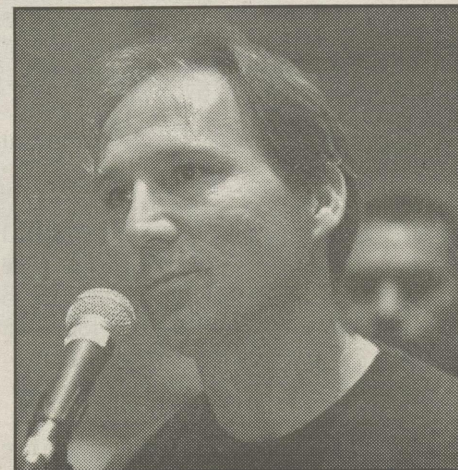


TDU Convention 2004

CSPIC was there to help rank and file teamsters fight the Central States Pension cuts that came down last November because we made plans at the TDU convention in Detroit.

I'll be in Cleveland this year because we need to keep up the campaign for pension justice for all our members and retirees.

Tim Pagel
Local 988
Houston



CISPIC Wins Gains

Reemployment Rules Modified

In response to a two-year pressure campaign organized by TDU and the Central States Pension Improvement Committee (CSPIC), the Central States Pension Fund has announced that they will relax their reemployment rules some to allow retirees to do more types of work. Also, for the first time they have published a list of jobs that members are allowed to do.

The new reemployment rule was modified a few months ago and has now been described in the Spring 2004 issue of *Teamwork*, the fund's magazine. They now list certain categories of jobs members can take under the new rule.

Of course, it remains to be seen how Central States will enforce the new rules. And the improvements come in the wake of the cuts that have made it difficult for many members to retire early. But the improvements represent important rights won for retirees. They came about because members and retirees have an active movement.

The new rules establish two categories of allowable work. In the first category, retirees can work an unlimited number of hours no matter what their age. In the second category, retirees are allowed to work up to 80 hours a month if they are

age 57-59, and an unlimited number of hours if they are 60 or older.

Retirees will still not be permitted to work for employers who are in a core Teamster industry, or covered by a Teamster contract, or who are current or former contributors to the pension fund. Core Teamster industries, in which work is still prohibited, are defined as: Trucking and Freight, Carhaul, Tankhaul, Warehouse, Food Processing and Distribution, and Construction.

TDU and CSPIC continue to fight for more fair rules and will not stop until victory. The most liberal rules only apply at age 60, another way to make early retirement impossible for some Teamsters. Half a win is good, but a total victory for justice is better. We are in federal court, in the shops and in the local union halls in this fight.

By recruiting our co-workers, circulating petitions, getting information out, speaking up at meetings, and donating money to support organizing, we have succeeded in rolling back some of the worst elements of the reemployment rules. Now we need to keep up the pressure on the trustees to restore our benefits that they cut!

Six Months After Central States Benefit Cuts

What Have We Won and What Are the Next Steps?

Six months ago the Central States Pension Fund made an announcement that shocked Teamsters and retirees. Their massive benefit cuts sparked a huge membership response that will change the course of our union.

If the trustees and Hoffa thought that members would take the cuts lying down, they were wrong.

Taking Stock

Since Nov. 18, 2003 rank and file Teamsters have:

- Organized a massive initial response to the cuts and forced the trustees to back-track on the effective date of the cuts, from Nov. 18 to Dec. 31, 2003; then

they turned that anger into a grass-roots movement: the Central States Pension Improvement Committee (CSPIC) and Teamsters for a Democratic Union.

- Turned out by the hundreds at dozens of union meetings to challenge fund representatives.
- Exposed a cover-up by the Hoffa administration by releasing the secret Saxbe report, showing that Hoffa and the trustees had been told months before the UPS contract that the fund would need higher contribution levels

than were bargained.

- Won partial changes in the reemployment rule which allow retirees more options to work, and are continuing to fight for more.
- Over the last two years, CSPIC has raised \$60,000, which has been used for outreach to Teamster members and legal expenses, with some in reserve for an independent professional audit.
- Countered the fund's excuses by conducting a study that showed that the Central States Fund was the only

Teamster fund to make such drastic cuts. The study also showed that many other Teamster funds continued to provide benefits superior to Central States.

These are important gains, but the big victories for pension justice lie ahead. The challenge now is to keep building and growing. The CSPIC committee has issued a bulletin that outlines what lies ahead and will be moving forward with plans over the summer months.

Keep Shining the Spotlight

Members are still madder than hell about the pension situation. In this pension fight the single most powerful thing I have seen is the flow of information that keeps coming from the CSPIC committee and TDU. The fund and the IBT wanted us in the dark. Well, we have another source for information and because of it we have the chance to stop these unjust cuts. Keep the information coming. Keep getting it out to Teamsters.

Jim Rickert
Local 728, Roadway
Greenville, S.C.

Hold Union Trustees and Officials Accountable

Before this, when was the last time that pension fund trustees, or IBT vice presidents for that matter, appeared at local union meetings? For the first time that I know of they have been forced to face membership questions and anger.

And we've exposed the excuses for what they are. We've shown that no other Teamster fund has taken such drastic steps, and that many funds are providing better benefits. The blockbuster was TDU's release of the Saxbe report that showed that Hoffa and the trustees were told long before the UPS contract that steps should be taken to shore up the fund.

They have failed to protect Teamsters and their families and they've lied to cover up their mistakes. Members give years of dedicated sacrifice and service only to see the fund destroy their retirement plans. We need to continue to hold the fund accountable until we fix the problems they have caused.

We need to keep in mind that this problem did not come about overnight. Every generation of Teamsters has had to fight to win and protect pensions. Now it is our turn. We need to be in this for the long haul. Too much is at stake.

Larry Macdonald
Local 728, Yellow Freight
Atlanta

Take the Campaign to the Ballot Box

Benefits have been a big issue here in Milwaukee and it was an important issue in our local union election campaign. The incumbents had a lot of excuses and took a go-along (with the fund and against the members) position on the benefit cuts. Well, we organized and those same incumbents have been sent on their way.

Every fall some local union elections come up. If you've got do-nothing officers, it may be time to replace them with Teamsters who aren't afraid to stand up for the membership.

Mike Dembiec
Local 200 Trustee
Bend Industries, Milwaukee

IBT Refuses to Release Central States Study

What is Hoffa Hiding?

President James Hoffa and Secretary-Treasurer Tom Keegel are refusing to release a financial study of the Central States Pension Fund done months before benefits were cut.

Hoffa and Keegel announced in November 2002 that they had hired two actuarial firms — Independent Fiduciary Services and Watson Wyatt Worldwide — to “get to the bottom of the issues at Central States and provide a frank and clear view of the situation to our members.” But to this day, the study has never been released to members.

Louisville Local 89 Teamsters Darrell Hall and David Thornsberry wrote Hoffa and Keegel demanding they release the study.

“This study was paid for by members' dues money and we have a right to see it,” Hall and Thornsberry wrote. “It will allow us to evaluate whether Central States'

“This study was paid for by members' dues money and we have a right to see it.”

Darrell Hall and David Thornsberry, Local 89

claims that there were no alternatives to the benefit cuts are true.”

Hoffa and Keegel have not responded. What are they hiding from us? Could it be that the study proves what members suspect — that Hoffa, Keegel and the Central States trustees have been lying to us all along?

Members need to let Hoffa and the trustees know that we want the truth. Write Hoffa and demand he release the secret study our dues paid for: James Hoffa, General President, 25 Louisiana Ave. NW, Washington, D.C. 20001.

Central States Fund Refuses to Release Information

Members Go to Court to Shine Light on Pension

After TDU publicly released the Saxbe report in March, which proved that James Hoffa and the Central States Pension trustees were aware in May 2002 — two years ago! — that pensions would be cut, a new demand came from thousands of Teamsters to “open the books.”

Now, members are putting some legal muscle behind that demand. Three Teamster members, represented by attorney Paul Levy, have written to the fund and the Special Counsel calling for all the quarterly reports, and their financial attachments, to be made a part of the federal court docket, and thus available to participants in the fund.

Fund trustees have refused this request. They have likewise refused to comply with earlier requests made by Atlanta Lo-

cal 728 and Detroit Local 299 for current financial information.

So the issue is headed for federal court. At the same time, members need to keep the pressure on local officials and the Hoffa administration with the demand that all of the facts see the light of day.

This information is also needed so that members can obtain an independent actuarial report. CSPIC decided several months ago to commission such a professional study of the fund but has been unable to complete it due to a stonewall on vital information.

It looks like it will take a court order for our “union” trustees to open the books to the members who pay them. Teamster members, with the support of TDU and CSPIC, intend to get that order.

Hoffa Accused of Blocking Investigations, Protecting Organized Crime Figures

Teamster Anti-Corruption Program Crashes

The former federal prosecutor that James Hoffa hired to develop Project RISE, the union anti-corruption program, resigned on April 28, saying that Hoffa undermined his investigations into corruption and organized crime. All 20 attorneys and investigators working for the RISE program also resigned.

The collapse of the Teamster clean-up program has far-reaching implications for Teamster members, leaders and the future of our union.

"Organized crime again threatens the

union." That's what Stier told Hoffa in a 300-page report charging that Chicago union officials were dealing with mobsters and making shady deals with benefit funds, and that mob-related firms were replacing Teamsters with low-wage, nonunion workers.

Stier demanded that Hoffa take action. But accused officials and organized crime associates lobbied the General President's office to derail the investigation. Hoffa crumbled and Stier resigned.

"The problem is Jim Hoffa," Stier

told the *Detroit News* explaining his resignation as the Teamsters anti-corruption director. Stier, a Hoffa appointee, says the General President obstructed investigations into organized crime and stonewalled other investigations to protect corrupt pro-Hoffa Teamster officials.

Hoffa Executive Assistant Carlow Scalf — the most powerful appointed official in the Hoffa administration — was also named as a key figure in the corruption coverup.

\$15 Million Dead End

The Hoffa administration spent \$15 million of our dues money on RISE as part of a five-year effort to replace the Independent Review Board (IRB) with an internal union anti-corruption program. That program is now dead and negotiations with the government are at a standstill.

Meanwhile the media is once again awash with Teamster corruption stories that will be used against us in contract fights and organizing campaigns.

From Contract Fights to Organizing Drives ...

Corruption Scandal Weakens our Union

Erik Jensen, Shop Steward
Local 320, University of Minnesota
Minnesota

Most Teamsters have never heard of Project RISE. But the Teamster corruption scandal that brought RISE crashing down affects all of us.

Take me and my co-workers at the University of Minnesota. As public employees, our biggest challenge in our last contract fight was to build public support for our union demands in an era of tight bud-

gets. We need Minnesota residents to understand that "Teamsters" means us — hard-working people who provide important public services.

It doesn't help our union's image when headlines blare, "Mob stigma again haunts Teamsters." And it doesn't help me win a better contract.

Everywhere our union tries to organize more members, employers and their union-busting attorneys will be circulating news clips to our prospective members with headlines like "Crime watchdog quits, hints union is corrupt" and "Organized crime again threatens union".

Our union leadership needs to act decisively so that working families and the public see our union has zero tolerance for corruption.

But so far the response of the Teamster leadership has been to bury their heads in the sand.

The hundreds of officials who met at the Unity Conference in Las Vegas last month didn't hear one word from our IBT leaders about the disintegration of

RISE — even though the story was rocking the press and the union.

Hiding bad news or covering up for corruption doesn't make it go away. Anti-union employers will continue to seize on these charges. And local officers, organizers and working Teamsters will be left holding the bag.

To gain the trust of the workers we want to organize — and our union's own members — our union needs to hold officials accused of corruption accountable for their actions, no matter who they are.

At TDU, we report on corruption not because we want to embarrass our union. We arm members with the information they need to demand accountability and clean up our union. Because organized crime is not what the Teamsters are about. And covering up corruption doesn't strengthen our union.

We have an enormous job to do fighting for the rights of working families against corporate greed and anti-union politicians. We need to put our house in order if we want to realize all the promise of our great union.

Get the Facts; Decide for Yourself

While the Hoffa administration is trying to whitewash the corruption scandal, TDU is putting the information in members' hands to let every Teamster make their own decision. The following documents are available only from TDU:

- Ed Stier's six page resignation letter.
- Reports from investigative journalists on the collapse of RISE
- Ed Stier's April 21 letter detailing his investigation of Hoffa's executive assistant

If you want to see these documents for yourself, contact TDU. Free to members, others please send donation. Also available at www.tdu.org.

Demand the Truth

Teamsters are demanding an end to the cover-up. We demand that the Hoffa administration release the 300+ page corruption report paid for with our dues. If the Hoffa administration has nothing to hide, why don't they release the report and let members decide?

Teamsters' crime watchdog quits, hints union is corrupt



■ Hoffa appointee

we have made it clear that we have substantial reliable infor-

Stier did produce a long, detailed report that laid out

independent corruption fighter is considered a setback to the

Hoffa had

Teamsters bid to self-police union collapses

Teamsters President James P. Hoffa comes into criticism for his handling of an internal investigation in Chicago.



By STEPHEN FRANKLIN
CHICAGO TRIBUNE

CHIC. resistance to the Teamster union off-manded and with

"We couldn't do that. We'd give it to law enforcement and nobody else," said Jim Kossler, a former FBI agent who had been chief in

But it was the final blow: Hoffa's assistant has been identified by the union's former

By Richard A. Ryan
Senior Washington Correspondent

WASHINGTON — Teamsters President James P. Hoffa's assistant has been identified by the union's former



Hoffa

with the racketeering unit headed by Stier. St. Antoine also was a member



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SUNDAY, MAY 2, 2004

Mob stigma again haunts Teamsters

Investigator: Hoffa not committed to Teamsters reform.

By Richard A. Ryan
Senior Washington Correspondent
WASHINGTON — The former federal prosecutor

Organized crime prober's resignation casts pall over union that was gaining respect.

By Richard A. Ryan
Detroit News Washington Bureau

WASHINGTON — Allegations by a former federal prosecutor that the top leadership of the Teamsters union has backed off its fight against organized crime cast an instant pall over a union that was quickly gaining

Edwin H. Stier, a highly respected former federal and state prosecutor who fought the mob passionately in New Jersey, and his team of investigators resigned last week as the union's internal ethical watchdog, claiming that Teamsters President James P. Hoffa

The accusations of being soft on organized crime could revive a public image of the old Teamsters under Hoffa's father, the legendary James R. Hoffa, of a corrupt union dominated by the mob. The union agreed to government supervision in 1989 to settle a federal racketeering suit that charged the Teamsters had made a "devil's pact" with organized crime.

former University of Michigan law professor and dean who served on the board of advisers to Project RISE, the internal Teamsters anti-corruption unit headed by Stier. St. Antoine also was a member



Hoffa

"The picture that the general public is going to get is that Here we go again. This is Jimmy Hoffa all over again." I don't think the situation is nearly that bad, but it is inevitable that a large part of the public will view it that way."

St. Antoine said that he knew Hoffa as a law student at the University of Michigan and felt that he was different from his father. His first reaction when

heavens, this is so sad. It looks as if we are back to the old days. How sad we have lost another opportunity to put a big, strong American union back on the right track."

But Arthur Sloane, professor emeritus of labor relations at the University of Delaware and author of a 1991 book on James R. Hoffa, does not believe the public will have such a dramatic reaction

Free of the Mob? Free of the Government?

Future of the Teamsters

For five years RISE was featured again and again by James Hoffa and Tom Keegel. In the *Teamster* magazine, at press conferences held with Ed Stier, in testimony before the U.S. Congress, and at

News Analysis

Teamster conferences. The RISE program was the crown jewel of Hoffa's PR program. All the top officials praised it again and again.

Suddenly, on April 28, the Hoffa administration did an about face. Ed Stier went from trusted friend to hated enemy. Suddenly, RISE cost too much; RISE was not the right vehicle to replace the Independent Review Board (IRB); RISE was too independent.

If you are a confused Teamster you're not alone! This switch was so fast that Hoffa's own PR department is still confused a month later. On May 28, a month after the collapse of RISE, you can still find an entire section of the official Teamster website devoted to how great RISE and Ed Stier are. You can still see all the RISE plans, the RISE timetable, the RISE code of ethics and order a RISE book.

What Really Happened?

What happened is this. RISE finally touched a nerve. RISE investigations started to get close to people in power, people who could pull Hoffa's strings. They pulled, and Hoffa jumped.

The problems started in 2003. RISE investigated widespread corruption in Houston Local 988, including multiple embezzlement schemes by President Chuck Crawley — a Hoffa loyalist who was busted in the last IBT election for threatening to lose members' grievances if their BA did not fork over donations to the Hoffa campaign.

But the investigation spread beyond Local 988 and Crawley. Many speculate the probe got too close to Freight Director Tyson Johnson, who received embezzled goods from Crawley as a gift.

What is known is that Hoffa's advisors closed ranks around the accused. Robert Baptiste, the law partner of Hoffa's general counsel, Pat Szymanski, lobbied the IBT to put the brakes on the Houston probe.

The lobbying effort paid off. Hoffa would not even hold a trusteeship hearing at first. When RISE finally forced Hoffa's hand, the trusteeship panel sat on the facts for more than a year and never issued a ruling. The members who came forward and provided RISE with information were threatened; the IBT took no action. Finally, the IRB stepped in, brought charges, and forced a trusteeship.

Covering for Organized Crime

But the big RISE investigation was in Chicago, where Stier reports that organized crime again threatens our union. The inves-

tigation there was much wider, involving a number of locals and maze of corrupt practices and mob influence.

RISE investigators found evidence that:

- Teamster officials were embezzling union funds.
- Union officials were cutting deals with organized crime figures.
- Mob-tied companies were filling Teamster jobs with low-wage, nonunion workers.

As these allegations surfaced, the General President's office began to act against RISE. Hoffa's executive assistant, Carlow Scalf, even tried to refuse to pay investigators. Officials were told to stop cooperating with RISE.

Stier didn't take the hint and back off. Instead, he produced a 300-page report, spelling out his evidence and the attempted cover-up by Scalf and other Hoffa administration officials. Stier demanded that Hoffa take action to restore RISE's credibility, but Hoffa refused to even meet to discuss the report. RISE was dead.

The Smoke Screen

Stier resigned on April 28, in a six-page letter that describes the way Hoffa backed down from the fight against corruption as soon as it got close to powerful friends. In response, Hoffa's PR team launched an attack on RISE and Stier.

All of a sudden the Hoffa administration claimed Stier was spending too much. For years, TDU has called for a public financial accounting of RISE. Hoffa kept the figures a secret until RISE started investigating his political allies. The bill wasn't the problem; it was the services rendered.

The Hoffa administration demanded to have the investigators' confidential files. They refused. Stier recently told the *Chicago Tribune* that they wanted those to "learn the identities of our sources so they could be retaliated against."

The Hoffa-ites claim Stier was too independent. Hoffa's attorney Patrick Szymanski told the *Chicago Tribune*, "There were situations where [Stier] knocked on people's doors when he had not been authorized to do so." But aren't investigators supposed to knock on doors without permission? Of course! Unless they are puppets.

After five years, our union is left with no anti-corruption program, no strategy for negotiating independence from government oversight, and \$15 million down the tubes. It will be up to members and local officers to carry this issue forward.

Who Will be the Scapegoat?

In an attempt to create some political cover for the scandal, Hoffa has appointed Ed McDonald to investigate Stier's charges. McDonald specializes in

Covering for Corruption

What Ed Stier Couldn't Stomach

► **Houston:** When Local 988 President Chuck Crawley (right) faced embezzlement charges, Hoffa aides circled the wagons around the accused. While Crawley is a long-time Hoffa associate, insiders say the administration's main goal was to stop the probe from reaching Freight Director and IBT Vice President Tyson Johnson.



► **Chicago:** Hoffa lost two key Chicago allies to the IRB which expelled Dane Passo and Billy Hogan (at left with Hoffa) for a sweetheart deal

to fill Teamster jobs with low-wage, nonunion workers. RISE uncovered similar schemes in an extensive Chicago probe that also uncovered charges of embezzlement and mob influence in our union. That's when the General President's office acted to block RISE's investigations.



defending white collar criminals. His clients include one of the nation's largest

waste management corporations (major Teamster employers), domestic and foreign bank officials, other large financial institutions and their employees, a member of the Saudi Royal family, Lebanese and Saudi businessmen, and the former chairman and deputy chairman of the Russian Securities Commission.

McDonald was reportedly recommended by Bruce Maffeo, a Hoffa attorney who formerly worked with him at the Department of Justice. Maffeo represented Dane Passo, Hoffa's special assistant who was banned from the union for arranging a sweetheart deal in Las Vegas to replace Teamsters with low-wage, nonunion workers — the same kind of scheme RISE uncovered in Chicago.

No one expects this "investigation" to be anything more than a political coverup. Some speculate that Hoffa needs a scapegoat. His executive assistant, Carlow Scalf, could be the fall guy.

Stier named Scalf as the point man in the campaign to block the RISE investigations. Stier wrote in an April 21 letter that, "Scalf's efforts to shut down our investigative activities were the result of pressure from Chicago-area Teamsters who in turn were acting at the instigation of racketeers."

Scalf's days as the most powerful appointed official are likely numbered. Hoffa will either throw Scalf to the wolves or the IRB will charge Scalf as its investigations proceed.

More than Just Another Scandal

Most Teamsters know little or nothing of RISE. You can bet members won't hear a meaningful word of news about this mess from the *Teamster* magazine. Many members may figure it's just one more Teamster corruption scandal; we've seen plenty of those.

But the fall of RISE is not just another scandal. It's the death of the one program that potentially had the ability to replace the court-ordered IRB with an internal mechanism that could hold officials accountable and earn the members' trust.

From its inception, TDU voiced our criticisms of RISE and pointed out its flaws. RISE was never sufficiently independent from Teamster politics to be effective. RISE was advisory to the General President, who ultimately held all the real authority.

Stier's response to this criticism was that RISE was the starting point for a negotiation with the U.S. attorney that would phase out government monitorship of our union by establishing an internal, but truly independent, anti-corruption program.

The fall of RISE proves that Hoffa would never stand for a corruption program he couldn't control. He used RISE for PR, but dumped it when the investigations implicated powerful allies.

Our union needs a leadership with the guts to stand up to corrupt officials and set our union on the course of self-governance that protects the rights of its members.

Only the Teamster rank and file have the power to put that leadership in place.

IBT Strategy Backfires

USF Shuts Down Red Star

USF closed down Red Star, its regional freight carrier operating 27 terminals in the Northeast, on Monday morning, May 24 in retaliation for a surprise strike called by the IBT.

The Red Star strike began as a surprise action on May 21. It was officially called to win union recognition for 15 office workers at the Philadelphia terminal. Local 107 demanded recognition based on signed union cards, and the company refused.

Both the IBT and USF had more at stake in this showdown than whether 15 office workers would be union members. The strike at Red Star was meant to be a demonstration of strength by the IBT organizing department, which is conducting a

major organizing drive at USF Dugan, USF's profitable Southern regional unit.

Our union has won NLRB votes at Mobile, Ala.; Memphis and Cincinnati; and lost at Kansas City and (narrowly) at Nashville. This is the only major organizing in the freight industry, and is targeted at the nonunion divisions of a major LTL carrier where we already have a strong union presence.

USF management could easily have avoided or ended the strike by granting union recognition to the 15 office workers at the Philadelphia terminal. Instead management chose to take a hard line against the Teamsters Union and close Red Star. Their goal is to try to kill our

organizing at Dugan in the process.

USF CEO Richard DiStasio and other executives, at a telephone press conference on Monday morning, repeatedly said that the Teamster strike was "devastating" to business. They claimed that 20 percent of their customers already were lost, and that Red Star, which has been in trouble for years, could not recover from the loss.

Teamster Leadership Blunders Cost Jobs, Organizing

Freight Teamsters employed at USF and elsewhere should be clear that the blame lies with corporate management. But Teamsters are also questioning the strategic blunders of the Teamster leadership, which played into management's hands at such great cost to our members and our organizing.

Red Star has been losing money over the past few years, and the strike helped push it over the edge. It also gave USF management a handy excuse to close Red Star, strike a blow to the Teamster organizing drive and send a scare throughout the USF system.

A strike at a company that has been losing money, in the difficult Northeast LTL market, was sure to lead to a loss of customers and possibly a retaliatory shutdown by management. USF had already downsized Red Star, closing terminals in the Carolinas and Georgia.

Red Star members are up in arms about the senseless loss of their jobs. "We all knew Red Star couldn't afford a strike, why didn't Hoffa?," said a former Red Star driver from Allentown, Pa., Local 773 who asked to remain anonymous while he looks for work in the industry. "I hold Hoffa responsible for breaking USF Red Star. Why push Red Star over the brink? There has to be more to this than either side is telling us.

A lot of great guys are suffering and they had no say over the outcome."

Who is responsible for this mess? You won't find a single top official ready to take responsibility, or with the guts to show up at a meeting to explain this to Red Star



Teamsters. Local officials report that they can't even get the freight or organizing departments to return calls about it.

We've spoken to local leaders, stewards and members and pretty much to a person, they feel the same way. Some are planning to take a delegation to the IBT Marble Palace to demand answers.

No answers have been coming from the IBT. It took the PR department two days to issue a statement that says Red Star planned to close all along. That only begs the question, why did the IBT play right into management's hands? Why did they let the union take the blame for the shutdown? In the process, they cost members 60 days pay due under the WARN Act, since the law does not apply when the closing is due to a strike. What did they hope to gain at USF Dugan as a result?

The IBT strike at USF Red Star was supposed to be a show of strength, but instead it turned out to be a show of weakness. We can't afford to let this become a carbon copy of the Overnite disaster. The Freight Division must move forward with a strong plan to counter this attack on USF workers, and make the organizing drive at USF Dugan a success.

For Teamsters to mobilize to rebuild our union's power in freight, we need real answers, real accountability, and a real plan for moving forward.

Schneider Contract Ratified

Gegare Claims Victory in Defeat

Fred Gegare, Green Bay Local 75 Secretary-Treasurer, may have saved as many as 30 Teamster jobs. He netted the Central States Pension Fund \$2 million. And he got 122 former Teamsters \$16,000 each when they ratified the last contract offered by Schneider Transport. Not a bad day's work according to a recent IBT press release, but many former Schneider drivers think otherwise.

Schneider Transport, a unionized division of Schneider Corp., shut down in June 2003 after contract negotiations reached an impasse. Gegare, as bargaining chair, chose not to put the final offer to a membership vote and instead filed charges with the National Labor Relations Board. A deal was reached in April 2004.

Gegare's contract requires Schneider to pay \$2 million dollars to be free and clear of any future pension fund obligations. Teamsters are vested for their years of service through June 2003, but will see no further contributions.

Should a member decide to return to work at Schneider, the company will pay \$85 per week into a 401K plan. Members will be responsible for \$30-\$90 weekly payments over the life of the eight-year contract towards a company health plan. The contract provides for two Green Bay city jobs (down from 13) with an hourly rate topping off at \$16 in 2009. Upon ratification, all 122 former Schneider Transport Teamsters will receive a lump sum payment of \$16,000. Local 75 business agent Mike Thoms has said he anticipates only 10-30 drivers will come back under this deal.

Most Schneider Teamsters see little to return to and feel they had to settle for what was offered. Local 75 didn't provide a strategy for a fight or seek the input of the affected members. Gegare

and Thoms refused to hold a meeting to discuss the issues. Many drivers demanded the opportunity to have an honest discussion of the proposed contract(s) and the merits of the bargaining committee's approach. Gegare refused.

"You're just pissing in your pants over losing your job."

Local 75 head Fred Gegare

In June 2003, Gegare told one member, "I'm not going to stand up in front of a bunch of guys and get yelled at. ... You're just pissing in your pants over losing your job."

Following the 2003 closure, a committee of Schneider Teamsters formed to organize a fightback. Many saw their best bet in the NLRB case. They documented the company's efforts to shift their former work. They raised over \$15,000 to hire Wisconsin attorney Ed Garvey. They held meetings and got supportive news coverage. They continued to hammer for a union meeting to discuss the issues.

Was Gegare looking out for them or for Central States? Schneider exits from the Central States Pension Fund — a goal they have had for many years. The company also frees itself of a hundred-plus union drivers. The fund, thanks to Gegare, nets \$2 million. Members end up in other jobs or retired with benefit packages that are far below what they had worked many years to achieve. The \$16,000 eases some of the loss but it doesn't come close to adding up to their years of Teamster sweat and commitment.

With the contract ratified and the charges withdrawn, former Schneider Teamsters are weighing their next moves.

Roadway Postpones Change of Operations

Roadway has postponed indefinitely the proposed change of operations that would have caused some 349 Teamsters to relocate, eliminated 74 jobs, and closed the White Pine, Tenn., terminal. The reason is uncertainty over the new hours of service (including 11-hours driving time) surviving court challenge. Roadway pulled the change just days before it was set to be approved in Las Vegas.

Roadway may be making a prudent decision. At the April 13 hearing before the U.S. Court of Appeals in Washington, D.C., the three judges asked the government attorney some hard questions about the absence of any citation in the final rule of research suggesting the additional hour would not be dangerous.

Attorney Bonnie Robin-Vergeer of Public Citizen argued on behalf of the interests of truck drivers and the public. The justification, backed by scientific studies, for changing the decades-old HOS rules was based on increased safety. Instead the Department of Transportation caved in to corporate interests.

If Public Citizen is successful, the new HOS rules (or parts of them) could be vacated, the old ones put back in place, and the DOT would be then be forced to come back with a new proposal. A decision by the court could be a few months away, possibly even longer.

Let's hope that Roadway management's caution is well founded, and that we win this one.

TDU History

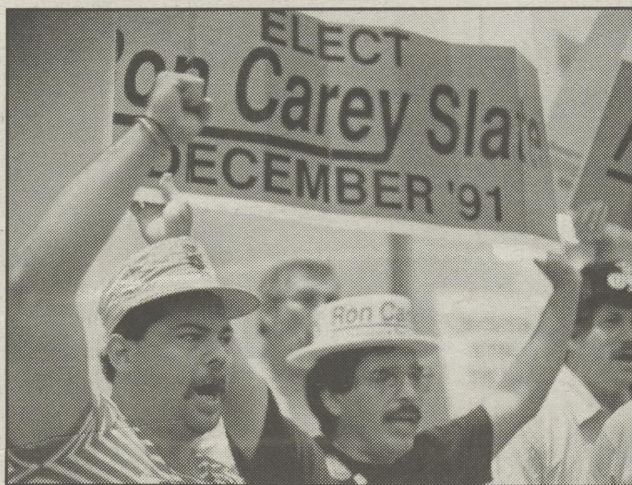
Rebuilding Teamster Power

(This is the third article in a series on the history of the Teamster reform movement.)

Rank-and-file Teamsters won the right to vote for top Teamster officers after a decade-long fight led by TDU. In the 1990s members used that right to elect new leaders and change our union's direction.

This period saw new successes for the reform movement, including: electing a new leadership, financial reforms that cut dues waste at the IBT, reversing decades of membership losses, and the UPS strike victory — labor's most important victory in decades.

But the 1990s also confronted our



1991 brought the first elected convention delegates and national election.

movement with serious challenges as employers tried to undercut the union's power and old guard officials launched a civil war to try to block Teamster reform.

TDU wasn't satisfied with just changing our union's top leadership. We saw that change as an opening for rank-and-file Teamsters to make our union stronger by getting involved at all levels. TDU members kept the pressure on resistant local officials and provided many of the troops to carry out the IBT's programs.

While supporting the new leadership's

good work, TDU also pushed for deeper reforms in areas such as the grievance procedure and pension benefits. TDU remained the watchdog group for Teamsters, publishing the \$100,000 Club and other nonpartisan information and demanding accountability at all levels.

1991 IBT Election

At the November 1989 TDU Convention, members debated and voted to endorse Local 804 President Ron Carey, who was putting a slate together and planning to run for Teamster President. Carey was not a TDU member, but a militant and independent local leader

who was not afraid to challenge employers or corrupt officials. Carey put together a coalition that included rank-and-file activists, TDU leaders, and local officers who opposed corruption.

Two other slates were running, headed by IBT Vice Presidents R.V. Durham and Walter Shea. Some 95 percent of Teamster officials lined up behind either Durham or Shea. But Carey had a powerful weapon the other candidates did not

— a committed network of TDU activists and an energized rank and file.

When the ballots were counted on Dec. 13, 1991, the Carey slate had won a huge upset victory. The Carey slate won 48 percent, the Durham slate 33 percent, and the Shea slate 18. All 16 members of the Carey slate were elected.

Changes at the IBT

The new IBT leadership immediately began implementing reforms that old guard officials had opposed for decades.

Financial reforms:

Carey sold the IBT's luxury jets and stretch limousine. He cut his salary by \$75,000 and many members of his executive board cut their own salaries or turned down multiple salaries. In 1994, the four wasteful Area Conferences were eliminated, saving \$11 million a year and eliminating 62 multiple salaries.

The Affiliates Plan, an extra pension for Teamster officials, was frozen, saving \$16 million a year.

These financial reforms freed up money for organizing and other membership programs.

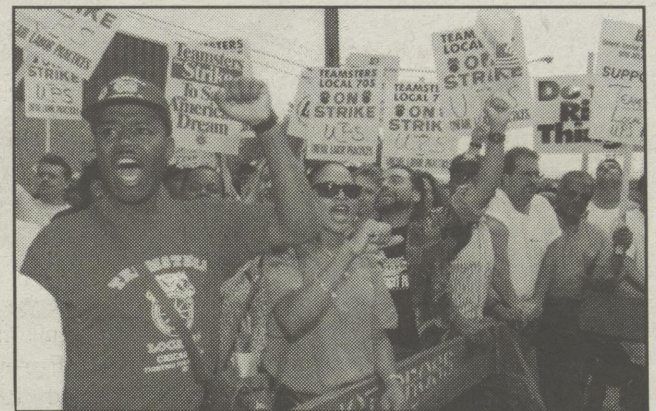
New Organizing: When Carey took office, the union's membership had dropped by 500,000 members in the previous 15 years. The IBT created a real organizing department and a volunteer organizer program. By 1995, our union was growing again. At Overnite, the IBT launched the first organizing drive against a national freight carrier since deregulation and successfully organized some 20 terminals. That organizing drive was later defeated when the Hoffa administration launched an unsuccessful strike at Overnite in 1999.

Taking on employers: Our union also slowed the employers' drive for concessions. The IBT began to involve members in contract campaigns. In the 1992 and 1995 carhaul contracts, we stopped companies from shifting more work to nonunion subsidiaries. Our union also won "innocent until proven guilty" provisions in national contracts — a right that the Hoffa administration later negotiated out of the freight agreement in most areas.

The 1997 UPS strike proved what reform leadership and a mobilized rank and file could achieve. A year before the contract expired, the International Union began to mobilize members for negotiations. Solidarity was built through surveys, rallies and workplace actions. TDU activists coordinated nationally to help implement our union's plan. Members were temporarily pulled off the job to serve as campaign coordinators.

When UPS refused to create more full-time jobs and tried to raid Teamster pension funds, 185,000 UPS Teamsters went on strike in the largest work stoppage in decades. Our union's message that "a part-time America won't work" won overwhelming popular support.

After two weeks, UPS gave in. Our union had won a contract with 10,000 new full-time jobs, a ban on subcontracting, and big pay and benefit increases. The press called it labor's greatest vic-



A year of planning led to the success of the 1997 UPS strike.

tory of the decade. Labor historian Nelson Lichtenstein told the *New York Times*, "It ends the PATCO syndrome. A 16-year period in which a strike was synonymous with defeat and demoralization is over."

The Teamsters Union stood at the forefront of the labor movement.

Old Guard Opposition Continues

Not everyone was happy with the IBT's new direction. Many powerful Teamster officials had lost multiple salaries, been removed from office for corruption, or saw their cozy relationship with employers threatened. This old guard within the union fought Carey and did everything they could to undercut union programs. In 1994, most of them ordered their members to scab on the one-day safety strike at UPS.

In the 1996 IBT election, the old guard united around James Hoffa, a lawyer who had represented old-guard officials and some employers. Hoffa lacked experience as a working Teamster or union leader, but he had a very famous Teamster name.

Hoffa made big promises to "Restore the Power" and improve pension benefits. His slate's name was "No Dues Increase—No Corruption—25 and Out." He received many illegal campaign contributions from employers; he was later forced to return over \$200,000 in illegal contributions.

TDU launched a rank-and-file mobilization to counter this threat. Members around the country visited worksites and encouraged members to reelect the Carey slate.

TDU members and other active Teamsters helped Carey beat Hoffa despite a vicious campaign by old-guard officials.

Challenges Ahead

The UPS strike victory marked how far the union had come in six years. But employers and the Teamster old guard continued to resist our union's new direction. And two consultants hired by the Ron Carey campaign were under investigation for illegally diverting over \$200,000 to the campaign.

Teamster reformers would soon face new fronts in the battle to protect Teamster democracy and strengthen our union.

Next month: *Fighting to Save Our Union.*

Pension Improvements

In the 1990s, members in many Teamster pension funds worked with TDU to win benefit improvements. In 1990 (before Carey's election), 400 Teamsters rallied in front of IBT headquarters in Washington, D.C., to demand better pensions.

In the Western Conference, 10,000 Teamsters from 95 locals signed a petition to their pension trustees calling for improvements. They eventually won improved early retirement benefits. Years of work by the New England Teamster Pension Improvement Committee resulted in a benefit increase in 1991.

In 1990, TDU and the Ohio Teamster Pension Improvement Committee commissioned and circulated an actu-

arial study of the Central States Pension Fund that showed the fund could afford increases. Under member pressure, Central States increased the 30-and-out benefit from \$1,000 to \$2,000.

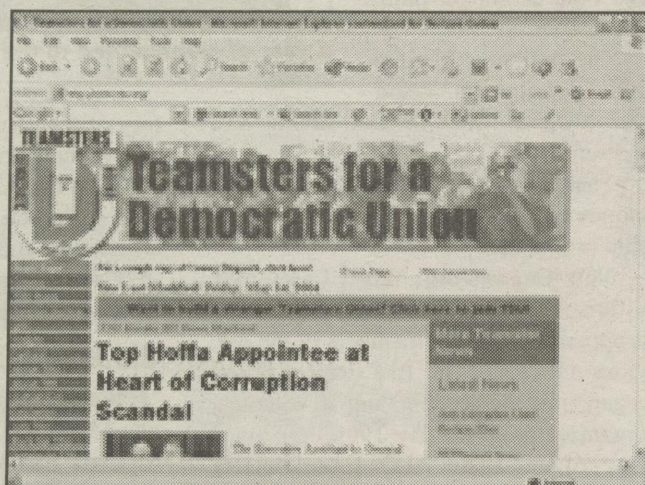
Some years later, after the union won big increases in pension contributions in national contracts, members again pressed for an affordable pension increase. Carey demanded that the Central States trustees pass on to members the benefit improvements negotiated from the employers. When the trustees refused, he demanded their resignation and replacement by elected trustees. Under pressure, the trustees increased benefits, including establishing 30-and-out at \$3,000 and 25-and-out at \$2,000.

TDU ONLINE

News and Information

Check the front page for the latest stories, or head to one of the site's sections for :

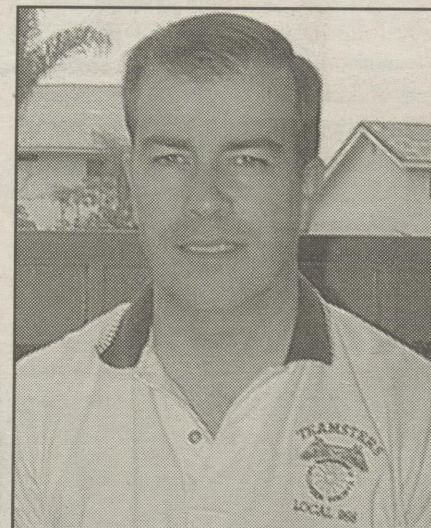
- ▶ Freight
- ▶ UPS
- ▶ Carhaul
- ▶ Pension
- ▶ HoffaWatch
- ▶ Teamsters in the press
- ▶ Stories from Convoy



I check tdu.org often, because it's updated frequently with information that Teamsters should know.

The Teamster.org website has too many of Hoffa's press releases, and not enough content. TDU delivers the hidden truths, and gives us the means to inform others with downloadable and printable flyers we can pass out at work.

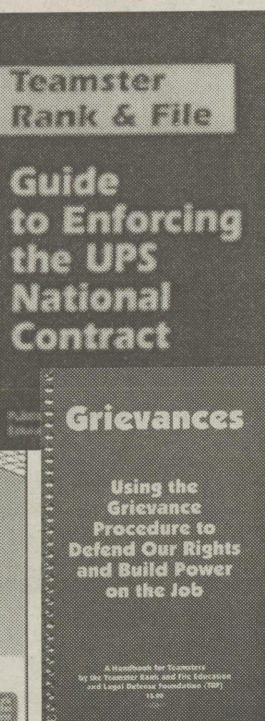
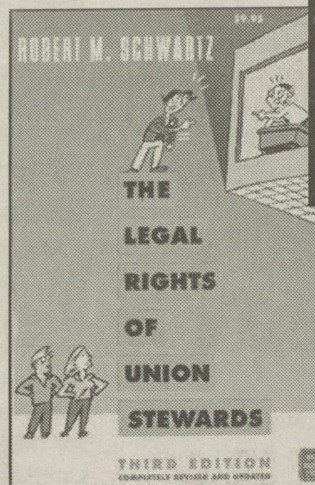
Larry Parker
Local 986, construction
Los Angeles



Books and Literature

In TDU's online bookstore, you'll find books you can't find anywhere else, like:

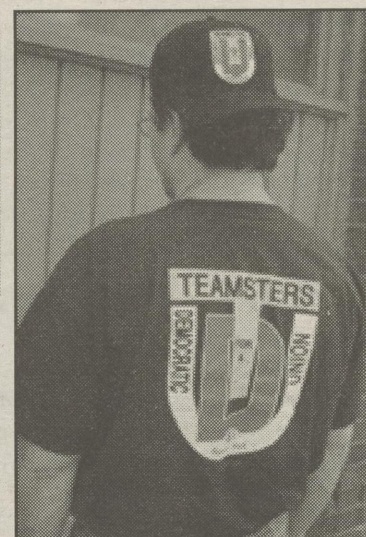
- ▶ *Guide to Enforcing the UPS National Contract*
- ▶ *Using the Grievance Procedure to Defend Our Rights*
- ▶ *Running for Local Union Office*
- ▶ *The Legal Rights of Union Stewards*
- ▶ *The Rights of Employees and Union Members*
- ▶ And much more!



TDU Gear

Show your TDU pride with TDU clothes and accessories. In the TDU paraphernalia store you'll find:

- ▶ Shirts
- ▶ Jackets
- ▶ Hats
- ▶ Patches
- ▶ Pins
- ▶ TDU Stickers
- ▶ Pension Stickers



Don't Forget! You can become a member online, too.
Just click on the button that says "Join TDU."